COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF KENTUCKY POWER)
COMPANY FOR A CERTIFICATE OF PUBLIC)
CASE NO. 8271
CONVENIENCE AND NECESSITY

ORDER

On October 3, 1983, Kentucky Industrial Utility Consumers ("KIUC"), an intervenor herein, filed a motion requesting a prehearing conference to discuss the following issues: whether Kentucky Power Company ("KPC") intends to continue making expenditures on the Rockport Generating Plant and, if so, whether KPC should be required to show cause why such expenditures should not be stayed during the pendency of this proceeding; KPC's ownership interest in the Rockport Generating Plant as reflected by the "Owners Agreement;" and whether the Indiana and Michigan Electric Company ("I & M Co.") and the American Electric Power Generating Company ("AEP") should be joined as parties in this proceeding.

On October 4, 1983, KPC filed a response to KIUC's motion. KPC alleges that it currently intends not to make any additional investment in Rockport; that KPC has contributed \$43,440,000 of the total \$1,258,236,000 construction cost for Rockport as of

September 30, 1983; and that I & M Co. and AEP cannot legally be joined as parties.

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Based upon KIUC's motion and KPC's response, the Commission is of the opinion and hereby finds that:

- 1. The issue of whether KPC should be enjoined from making additional expenditures for Rockport is most until such time as KPC intends to resume such expenditures.
- 2. KPC should be required to give all parties 20 days' notice prior to any resumption of expenditures for Rockport.
- 3. KPC has responded to the issue of its ownership interest in Rockport and the Commission takes notice that this issue is also the subject of KIUC's first data request filed October 3, 1983.
- 4. KIUC should be given the opportunity at a prehearing conference to present evidence to support its request to join I & M Co. and AEP as parties.
- 5. Based on the Commission's Order entered October 14, 1983, granting a continuance in the hearing in this case, a prehearing conference would be beneficial to insure that the issues are sufficiently defined and that a procedural schedule is established for information requests and the presentation of testimony, if any, by intervenors at the hearing scheduled on January 10, 1984.

IT IS THEREFORE ORDERED that KPC shall file notice with the Commission and parties of record 20 days prior to making additional expenditures on Rockport.

IT IS FURTHER ORDERED that a prehearing conference be and it hereby is scheduled on November 7, 1983, at 9:30 A.M., Eastern Standard Time, in the Commission's offices at Frankfort, Kentucky.

Done at Frankfort, Kentucky, this 28th day of October, 1983.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

ATTEST:

Secretary